Regulation 39-21-104. Rejection of Claims. Upon rejection of a claim for refund or amended income tax return claiming a refund, the Department shall send the claimant a notice of denial of refund containing an explanation of the reasons for denial by first class mail as set forth in C.R.S. 39-21-105.5.

The procedure for hearings for refund claims consists of the following steps:

Within thirty days after the mailing of the "Notice of Denial of Refund," the taxpayer may request a hearing or file a brief and request for reconsideration in the same manner as is provided after the sending of a "Notice of Deficiency."

Hearings will be held at a place and a date fixed by the executive director. The taxpayer may present his evidence and legal arguments in support of his position at that time.

After considering the evidence and arguments made at the hearing, or after consideration of a brief submitted in lieu of a hearing, the executive director will send a "Notice of Final Determination of Claim for Refund" to the taxpayer by first class mail as set forth in C.R.S. 39-21-105.5, stating the grounds for allowance or rejection of the claim.

For the period of time in which suit for refund may be commenced see C.R.S. 39-21-105 and regulations thereunder.